

# DEPARTMENT OF EMPLOYEE TRUST FUNDS

## INCOME CONTINUATION INSURANCE ADMINISTRATION MANUAL - LOCAL

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#### 100 Introduction

The Income Continuation Insurance (ICI) program is authorized by Wis. Stat. § 40.61, and is administered according to the plan provisions between the Group Insurance Board and the program's third party administrator. The ICI plan is self-insured—financed by employer and employee premium contributions—and is available to all local government employees participating in the Wisconsin Retirement System (WRS) whose employer is enrolled in the ICI plan. Employees' eligibility for ICI participation requires completion of six months of service under the WRS. Premiums are deposited in an employee trust fund rather than paid to an insurance company. A third party administrator is retained to perform the administrative services associated with processing, paying, and managing benefits.

The ICI plan provides 75 percent of an insured employee's WRS gross earnings in the event of disability; replacement income during periods of short-term disability as well as those lasting for extended periods. Benefits normally end at age 65. Disabilities of more than one-year's duration have a supplement of \$75 per month added to the normal benefit amount. This is a one-time supplement; no further increases will apply.

#### 101 Program Features

The gross ICI premium is computed as a percentage of WRS covered earnings. The employer pays the total premium for employees who select the 180-calendar-day elimination period. Employees who desire shorter elimination periods are required to pay the necessary additional premium. Employers may choose to pay up to 100 percent of the premium for any or all qualified employees regardless of the elimination period.

In the event of a physical or mental disability, the plan provides up to 75 percent of the employee's gross earnings as reported to the WRS. Although the maximum amount available under the program is 75 percent, the sources of payment may vary according to

the employee's eligibility for benefits from other State, Federal or employer-sponsored programs. Benefits under the program will not duplicate benefits available from State, Federal or employer sponsored programs such as WRS retirement (regular or disability retirement and lump sum payments), Long Term Disability Insurance (LTDI), Social Security, Worker's Compensation, Unemployment Compensation, Federal retirement programs, etc. Rather, benefits under the ICI program supplement the other programs to provide a specified level of disability income. (See Subchapter 708 for more information on offsets.)

ICI benefit payments are made at the beginning of the month for the preceding benefit month. For example, January benefits are paid February 1. Generally, benefit payments begin after exhausting the employee-selected elimination period and continue for the length of the disability. Benefit payments normally cease at age 65.

## **102 Administration**

The ICI program is authorized by Wis. Stat. § 40.61, and is administered according to the plan provisions between the Group Insurance Board and the program's third party administrator. The Department of Employee Trust Funds (ETF) contracted with Broadspire for administrative services including application processing, claims adjudication, case management, rehabilitation/training and benefit check processing.

The procedures and provisions governing enrollment, premiums and coverage are addressed in Wis. Stat. §§ 40.02 (28), 40.05 (5), 40.61, and 40.62; Wisconsin Administrative Code ETF 50.10; and the ICI Plan language.

## **103 Division of Responsibilities**

Administrative responsibilities are divided as follows:

### Group Insurance Board

- Develop benefit provisions.
- Develop bidding specifications.
- Select an administrator to perform claims payment function.

### Department of Employee Trust Funds

- Collect premiums from employers.
- Interpret Plan language, applicable statutes and administrative code.
- Develop informational brochures for employees.
- Develop reporting forms and instructions.
- Develop and maintain an employer administration manual.
- Provide Ombudsperson services for claimants with unresolved questions or problems with third party administrator.

### Third Party Administrator (Broadspire)

- Process enrollment applications.
- Print and mail forms, applications, brochures and manuals.

- Adjudicate claims by determining the extent of disability. Coordinate benefits and rehabilitation.
- Investigate claims.
- Issue claim payments.
- Perform medical underwriting for employees who apply for coverage through Evidence of Insurability.

#### Participating Employer

- Designate a payroll/personnel/benefits representative knowledgeable about general ICI Plan provisions to serve as an ETF/third party administrator contact.
- Inform the employee on or before the date of hire as to eligibility, benefits, cost, enrollment procedure and effective date of coverage.
- Provide new employees with an *Income Continuation Insurance Application* (ET-2307), *Income Continuation Insurance Brochure* (ET-2129) and an *Evidence of Insurability Application* (ET-2308), as applicable.
- Determine employee's WRS previous service. (Refer to Subchapter 202 for further information.)
- Secure, audit and maintain completed applications and arrange for payment of premiums.
- Submit applications to ETF in a timely manner.
- Respond timely to third party administrator inquiries.
- Prepare and submit monthly premium report to ETF.
- Refer questions appropriately. (Refer to Subchapter 104 for further information.)
- Prepare *Income Continuation Employer Statement* (ET-5351) and *ICI Report of Employment and Earnings* (ET-5901).

## **104 Administrative Offices and Contacts**

- Employee and Employer Application, Claim Processing Questions, and Complaint Resolution:

Third Party Administrator:   Broadspire  
200 Wheeler Road 5<sup>th</sup> Floor  
Burlington MA 01803-5500

Toll Free: 1-800-960-0052

MCI Telecommunications Relay Service (TCI) 1-800-855-2880

Office Hours: 7:45 a.m. to 4:30 p.m.(CST) – Monday through Friday  
(except holidays)

E-Mail: ICILTDI@choosebroadspire.com

To expedite the e-mail request, please use the following subject lines:

- ICI/LTDI - Customer Service Issue
- ICI/LTDI - Payment Information
- ICI/LTDI - Pending Claim
- ICI/LTDI - Overpayment
- ICI/LTDI - Other
- ICI/LTDI - Ombudsman Escalation

The vendor correspondence unit forwards e-mail internally while simultaneously sending an e-mail back to the sender to confirm receipt. E-mails are tracked for follow-up within 10 calendar days from receipt as outlined in the contract with the third party administrator.

➤ Employer Eligibility, Enrollment, Coverage Questions and Problems with Third Party Administrator:

Department of Employee Trust Funds  
Employer Communication Center  
(608) 264-7900  
Office Hours: 7:45 a.m. to 4:30 p.m. – Monday through Friday  
(except holidays)

## **105 Complaint Resolution**

The ICI third party administrator is required to have a complaint procedure for the resolution of claimant problems. The claimant (or employer on the claimant's behalf) should contact the third party administrator's customer service area for problem resolution. The claimant should ask to speak with the Customer Service Team Leader if the problem cannot be resolved by contacting customer service. In the event the Team Leader is unable to resolve the problem or is unavailable, the claimant should ask for the third party administrator's ombudsperson. The ombudsperson will work with the claimant to resolve the complaint. (See subchapter 104 for third party administrator contact information.)

## **106 ETF Ombudsperson Services**

ETF offers ombudsperson services to assist claimants who remain dissatisfied after first contacting the third party administrator regarding a problem or complaint. Employers should direct employees in this situation to telephone or write ETF's ombudsperson at:

Local (Madison) 608-266-3285  
Toll Free 1-877-533-5020

Department of Employee Trust Funds  
PO Box 7931  
Madison WI 53707-7931

ETF ombudspersons advocate for claimants and attempt to resolve complaints and problems on their behalf. If unsuccessful, the ombudsperson will advise the claimant of subsequent avenues of appeal. Complaints should be made in writing using the *Insurance Complaint* form (ET-2406) found in subchapter 107, whenever possible. Additional information regarding ETF ombudsperson services can be found on the ETF Web site (<http://etf.wi.gov/>) under the "Insurance" section.

Note: If the complaint pertains to a benefit determination, the claimant should complete at least the first level of the administrative review process prior to requesting assistance from the ETF ombudsperson. (See subchapter 802 for information on administrative review.)

107 Insurance Complaint Form (ET-2405)

Department of Employee Trust Funds  
P.O. Box 7931  
Madison, WI 53707-7931

INSURANCE COMPLAINT

TO FILE A COMPLAINT: Your first step to resolve a problem is to contact the insurance carrier and try to resolve the problem(s) at that level. If you are dissatisfied, then complete this form and send it to the Department of Employee Trust Funds (ETF) at the address shown above, attention Quality Assurance Services Bureau.

Subscriber Name (First, MI, Last)			Birthdate	
Social Security Number			Daytime Telephone	( )
Subscriber Address				
E-mail Address				

Please attach a description of your problem in detail. Include copies of important papers and letters that pertain to your complaint, including any relevant correspondence from the plan.

COMPLAINT INFORMATION:

- Who is the covered individual that this complaint involves?  
☐ Self ☐ Other (name/age/relationship) \_\_\_\_\_
- Indicate the type of insurance complaint:  
☐ Health  
    Name of Health Plan \_\_\_\_\_  
☐ Pharmacy Benefit Manager  
☐ Income Continuation/Disability  
☐ Other \_\_\_\_\_
- This complaint should FIRST have been reported to the plan. Have you completed their complaint resolution/grievance process? ☐ Yes ☐ No
- Have you reported this problem to us or any other government agency, such as Office of Commissioner of Insurance?  
☐ Yes ☐ No If yes, what agency and what action was taken? (attach documentation, if necessary)

AUTHORIZATION FOR RELEASE OF INFORMATION:

I hereby authorize \_\_\_\_\_ (health plan and/or provider) to release my medical and claims information to the ETF Quality Assurance Services Bureau for the purpose of addressing my insurance complaint.

Dates covered by this Authorization:	From: _____ To: _____
Health Information to be Released Under this Authorization:	Participant's grievance file and any related health information. Other: _____

By signing this form, I acknowledge that I have read and understand my rights, listed on the reverse side.

Date (MM/DD/CCYY)	Signature: _____
<input type="checkbox"/> Self <input type="checkbox"/> Parent/Guardian <input type="checkbox"/> Personal Representative, Executor or Conservator <input type="checkbox"/> Other _____ <input type="checkbox"/> Power of Attorney for Health Care (activated)	

EXPIRATION: This authorization expires one year from the date signed, or upon withdrawal or resolution of complaint.

## 108 Confidentiality of Records

Medical information received by ETF or the third party administrator is confidential and may ONLY be released pursuant to s. 40.07 (2), Wis. Stat., which reads, in part:

"[M]edical records may be disclosed only when a disability application denial is appealed or under a court order duly obtained upon a showing to the court that the information is relevant to a pending court action...."

Under normal circumstances medical records cannot be released to the employee, employer, or an attorney. If you are contacting the third party administrator on behalf of the employee, the employee is required to complete and submit an *Authorization to Disclose Non-Medical Personal Information* (ET-7406) to ETF. This form provides the means of authorizing specific individuals or entities to receive the employee's non-medical information from ETF or the third party administrator.

## 109 Ordering ICI Forms

The following methods can be used for ordering ICI forms:

- 1) Photocopy and complete the *ICI Forms/Booklets Order Form* located in Subchapter 110 and fax it to Broadspire at (781) 270-8666.

(OR)

- 2) Complete the *ICI Forms/Booklets Order Form* found on ETF's Internet site, <http://etf.wi.gov> under "Employer Forms," and "Income Continuation" and e-mail to [ICILTDI@choosebroadspire.com](mailto:ICILTDI@choosebroadspire.com) or print and fax to Broadspire at (781) 270-8666.

Should an emergency need for ICI forms arise, call Broadspire at (800)-960-0052 and provide the following:

- Employer Name
- Four-digit employer identification number (EIN) starting with 69-036-
- Mailing Address
- Contact Name
- Contact Phone Number
- Form name and Number
- Quantity of the form or booklet

The Broadspire Correspondence Unit will contact the employer to confirm receipt of the request for forms and provide an estimated shipping date.

Contact Broadspire's Customer Service team designated for the State of Wisconsin at (800) 960-0052 for follow-up if orders are not received within 10 business days of the estimated shipping date. Provide the following information:

- The date the order was first placed and the estimated shipping date.
- Employer name, employer identification number (EIN), your name and telephone number.

110 *ICI Forms/Booklets Order Form*

STATE OF WISCONSIN  
DEPARTMENT OF EMPLOYEE TRUST FUNDS  
INCOME CONTINUATION INSURANCE FORMS/BOOKLETS ORDER FORM

Employer Name: \_\_\_\_\_ EIN: 69-036-\_\_\_\_\_

Street Address:

\_\_\_\_\_  
\_\_\_\_\_

Mailing Address: (if different) \_\_\_\_\_

\_\_\_\_\_

Contact Name:

\_\_\_\_\_

Contact Phone:

\_\_\_\_\_

LOCAL EMPLOYER ORDERS

Please indicate forms and quantity needed:

<u>Forms/Booklets</u>	<u>Quantity</u>
<input type="checkbox"/> ET-2129 ICI Booklet – Local	_____
<input type="checkbox"/> ET-2307 ICI Enrollment Form	_____
<input type="checkbox"/> ET-2308 ICI Evidence of Insurability (EOI) Enrollment	_____
<input type="checkbox"/> ET-5106 Claim Filing Instructions for the Income Continuation Insurance and Long Term Disability Insurance Plan	_____
<input type="checkbox"/> ET-5901 ICI Transaction Report	_____
<input type="checkbox"/> Local Claim Packet (ET-2129, ET-5350 and ET-5352)	_____
<input type="checkbox"/> ET-1145 Local Employers ICI Administration Manual	_____

Return to: Broadspire Correspondence Unit	Fax: (781) 270-8666
200 Wheeler Road, 5 <sup>th</sup> Floor	E-mail: <a href="mailto:ICILTDI@choosebroadspire.com">ICILTDI@choosebroadspire.com</a>
Burlington, MA 01803	

Date Received at Broadspire: \_\_\_\_\_ Date Processed: \_\_\_\_\_

## 111 Internet Address

ETF's Web site contains information on ICI for local government employees. The address is: <http://etf.wi.gov>. The site provides an overview of ICI for local employees and detailed information including:

- *Local Employee ICI brochure (ET-2129)*
- *ICI Report of Employment and Earnings (ET-5901)*
- *ICI Monthly Premium Report (ET-1629)*
- *ICI Employer Statement (ET-5351)*
- *Local Employee Plan Language*